COLORADO DEPARTMENT
OF REVENUE
DENVER CO 80261-0006

FIDUCIARY INCOME TAX FORMS AND INSTRUCTIONS FOR 2004

If you do not need a 2005 Fiduciary Income Tax Booklet mailed to you, check the box following the name and address area of Form 105.

1. First fill out the federal income tax return - U.S. Form 1041. You will need information from that form to complete the Colorado return.

2. If there is a balance of tax due with the return, make the check or money order payable to the Colorado Department of Revenue. If you know the Colorado account number of the estate or trust, please print it on the check or money order. It will be a 70- or 71- followed by a five-digit number.

3. Mail your return to the Colorado Department of Revenue, Denver, Colorado 80261-0006.

TaxColorado.Com
Colorado Department of Revenue
Forms, Information and E-Services

Colorado income tax returns are due on or before the fifteenth day of the fourth month following the close of the taxable year.

An automatic six-month extension of time for filing the Colorado fiduciary income tax return is allowed for all taxpayers. However, an extension of time to file is not an extension of time to pay the tax. If at least 90% of the net tax liability is not paid by the original due date of the return, penalty and interest will be assessed. If 90% or more of the net tax liability is paid by the original due date of the return and the balance of the tax is paid when the return is filed by the last day of the extension period, only interest will be assessed.

Use Form DR 158-F to make whatever payment must be made by the original due date of the return to meet the 90% requirement.

If after the original due date of the return it is found that the amount that has been paid is insufficient to meet the 90% requirement, additional payment should be submitted as soon as possible to reduce further accumulation of penalty and interest. Make such payment on form DR 158-F.

A federal extension of time for filing will not be accepted for Colorado purposes.

Submit Form DR 158-F with payment to:

Colorado Department of Revenue
Denver, CO 80261-0008

DO NOT SUBMIT FORM DR 158-F WITHOUT A PAYMENT.

DETACH FORM ON THIS LINE

▼ RETURN ONLY THE LOWER PORTION OF THIS FORM WITH YOUR PAYMENT ▼

(39) Form DR 158 - F
www.taxcolorado.com

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2004 Payment Voucher for Automatic Colorado Extension for Estates or Trusts (calendar year– Due April 15, 2005)

Name of Estate or Trust	Colorado Account Number
Name of Fiduciary	Federal I.D. Number
Address	
City,State, ZIP	

If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

IF NO PAYMENT IS DUE, DO NOT FILE THIS FORM

DO NOT WRITE IN SPACE BELOW

Amount of Payment

(08) $. 00

Instructions for 2004
Colorado Fiduciary Income Tax Return, Form 105

GENERAL INFORMATION

Account Number. A Colorado Account Number is not assigned to a fiduciary account until the first tax return has been filed. If the account number has been assigned, please enter it on the return. This will speed processing of the return and issuance of any refund.

Resident estates and trusts. A resident estate is defined as an estate of a deceased person which is administered in Colorado in any manner other than by an ancillary proceeding. A resident trust is defined as any trust which is administered in Colorado.

Nonresident estates and trusts. The Colorado tax of a nonresident estate or trust shall be what the tax would have been were it a resident estate or trust apportioned in the ratio of the Colorado taxable income to the modified federal taxable income. Use Schedule E to make the apportionment.

Requirement for filing. Every resident estate or trust or every nonresident estate or trust with Colorado source income must file a Colorado income tax return if it is required to file a federal income tax return or if it has a Colorado tax liability.

Information returns. Any estate or trust that is required to file a federal information return (such as the 5227 or 1041A) must also file Form 105 with Colorado. Complete the appropriate schedules to provide beneficiary and income information.

Return for decedent. If an executor or administrator is required to file a federal income tax return for a decedent who was a Colorado resident or a nonresident with Colorado source income, he/she is required to file a Colorado return for such decedent.

If a final determination of tax liability is requested for the estate or trust of a decedent, the request must be submitted on Form DR 253. Such request must be submitted under separate cover.

Estimated tax payments are not required for a fiduciary return. However, if you want to make estimated payments, use estimated tax form 105 EP to submit your payment.

Withholding for nonresident beneficiaries. Every fiduciary of an estate or trust, with a nonresident beneficiary who receives net income from real or tangible personal property within Colorado, shall withhold and pay taxes to the Department of Revenue out of the income to be distributed to such nonresident beneficiary. The amount to be withheld is 4.63 percent of the beneficiary's share of said income, computed without exemption, unless the nonresident beneficiary files a timely return of his total income from sources within Colorado, in which case the fiduciary shall withhold and pay only the amount of tax disclosed by the beneficiary's return. Use Form 104-BEP on the inside back cover to make the payment. File Form 104-BEP using the name, address and social security number of the beneficiary. Photocopy additional copies of Form 104-BEP as needed. Payment is due at the time the income is distributed.

Period to be covered by the return. The return must cover the same tax period as is used for federal tax purposes.

Amending your return. A change or correction on your return must be reported on a corrected Form 105. Write "AMENDED RETURN" in large red letters across the top of the corrected Form 105. Include prior payments on line 13 of the corrected Form 105. Any adjustment made on a federal amended return must be reported and the Colorado income tax adjusted accordingly. Any adjustments made by the Internal Revenue Service must be reported to Colorado by attaching the revenue agent's report to the amended return. The statute of limitations for assessment will not run on any year for which such adjustments are not reported.

When and where to file. The Colorado fiduciary income tax return is due by the fifteenth day of the fourth month following the close of the taxable year. See Form DR 158-F for automatic extension of time for filing. Mail the return to: Colorado Department of Revenue, Denver, Colorado 80261-0006.

Additional Information Available. All forms, FYIs and other information are available at: *www.taxcolorado.com* or you can call (303) 238-SERV (7378) for information.

INSTRUCTIONS FOR PAGE 1, FORM 105

Line 1 Federal Taxable Income.
Enter the federal taxable income of the estate or trust.

Line 2 Additions To Taxable Income.
Enter any state income tax claimed as a deduction in computing federal taxable income.

Enter any interest income accrued or received during the taxable year on obligations of any state or subdivision thereof other than obligations of the State of Colorado or a subdivision thereof. The amount of interest entered shall be net of any bond premium amortization and any expenses required to be allocated to such interest income under provisions of the internal revenue code.

Enter any lump-sum pension or profit sharing distribution made to the estate or trust during the tax year to the extent such distribution was reported as income on federal Form 4972. The amount to be entered shall be net of any estate tax attributable to the distribution to the extent claimed as a deduction on Form 4972.

Enter any charitable contribution deduction claimed in 2004 for the donation of a conservation easement that qualified for the gross conservation easement credit.

Line 3 Subtractions From Taxable Income.
Enter any refund of state income tax included in federal taxable income.

Enter to the extent included in federal gross taxable income of the estate or trust, any United States government interest income not subject to tax by the State of Colorado.

Enter to the extent included in federal gross taxable income or as added on line 2, but not more than $20,000 for persons at least age 55 or $24,000 for persons at least age 65, the Colorado pension/annuity subtraction. The pension/annuity subtraction is allowed only to the extent the person who earned the pension/annuity income was at least 55 years of age before their death or to the extent the benefits were paid because of their death. See FYI Income 25 for details

Enter to the extent included in federal taxable income, the amount of capital gain income earned from:

- The sale of real or tangible personal property located in Colorado, or
- The sale of stock or an ownership interest in a Colorado company that has 50% or more of its property and payroll within Colorado,

that was acquired on or after May 9, 1994 and held continuously for at least five years prior to the date of the transaction from which the capital gains arise. You must attach Form DR 1316 to the return to provide information explaining how these assets qualify for the subtraction. See FYI Income 15 for details and Form DR 1316.

Enter to the extent included in federal gross taxable income payments or contributions made to a qualified state tuition program administered by College Invest.

Line 4 Net Modifications.
Line 4 is the difference between lines 2 and 3. If line 3 exceeds line 2, show the amount on line 4 in brackets.

Lines 5 and 6 Allocation of Modifications.
Enter the amount of the net modifications allocated to the beneficiaries. These modifications should be allocated to the beneficiaries using the (beneficiary) "subtotal" percentage from Schedule B, page 2 of the return. Enter the balance of the modifications, if any, on line 6.

Where the allocation of the modifications as given in the instructions for line 5 would produce a result that is substantially inequitable, the fiduciary may, with the permission of the executive director, use such other method of allocation of all or a part of such modifications that will produce a fair and equitable result to both the fiduciary and the beneficiaries.

Line 7 Colorado Taxable Income.
Enter the amount by which line 1 exceeds line 6 or the total of lines 1 and 6. This is the modified federal taxable income of the estate or trust subject to tax by Colorado.

Line 8 Tax.
Enter the Colorado normal tax of the estate or trust, 4.63% of the amount on line 7. Nonresident estates and trusts enter the amount from line 8, Schedule E. This tax rate represents a reduction in the rate from the 1999 rate of 4.75% and the 1998 rate of 5%.

Line 9 Alternative Minimum Tax.
Enter the Colorado alternative minimum tax, if any, from Schedule F. Ordinarily there will be a Colorado alternative minimum tax if there is a federal alternative minimum tax.

Line 11 Credits.
Enter the credits, if any, from Schedule G.

Line 13 Estimated Tax Payments and Credits.
Enter any amount paid on behalf of the estate or trust with the extension of time for filing payment voucher. Include amounts paid, if any, as estimated tax payments or as withholding on nonresident real estate sales.

Line 14 Colorado Income Tax Withheld
Enter any amount of Colorado income tax withholding on wages reported as taxable income by the estate.

Line 16, 17 and 18 Amount Owed.

Line 18 is the balance of tax due, line 12 minus line 15. Include penalty and/or interest on lines 16 and 17 if paid after the original due date of the return.

If 90% or more of the net tax was paid by the original due date of the return (April 15 for calendar year returns) and the balance is paid when the return is filed by the last day of the extension period then only interest will be due. If less than 90% of the net tax was paid by the original due date of the return, penalty and interest will be due.

The penalty is 5% of the balance of tax due for the first month or fraction of a month of delinquency plus 1/2% for each additional month or fraction of a month of delinquency, not to exceed 12% in the aggregate.

Interest is computed at the rate of 4% per annum on any tax unpaid as of the due date of the return from the due date to the date of payment. (Interest on any tax due more than 30 days after billing will be assessed at 7%.)

INSTRUCTIONS FOR PAGE 2, FORM 105

Schedule A. Enter the names and addresses of the beneficiaries. Use lines (a) through (f) for resident beneficiaries and lines (g) through (l) for nonresident beneficiaries.

Schedule B. Schedule B is used to compute the fiduciary's percentage share and each beneficiary's

percentage share of the federal distributable net income. These percentages are to be used in the division of the Colorado fiduciary adjustment in Schedule D.

Schedule C. Schedule C is used to determine what part of the nonresident beneficiaries' federal distributable net income is from Colorado sources. This percentage is to be used in allocating the net estate or trust income reportable to Colorado by nonresident beneficiaries in Schedule D.

Enter in column 1 the component parts of the federal distributable net income. Enter in column 2 that part of each item from column 1 that is from Colorado sources. Interest and dividend income will not be considered to be from Colorado sources except where they arise from assets that have acquired a business situs in Colorado. Pension and annuity income is not considered to be Colorado source income.

Expenses claimed on lines 10 through 15 of federal form 1041 will be Colorado or non-Colorado expenses depending on the source of the income to which they are assigned by the fiduciary for federal income tax purposes.

Schedule D. Schedule D on page 2 is for the determination of the resident beneficiaries' share of the Colorado fiduciary adjustment, and the determination of the net estate or trust income reportable to Colorado by nonresident beneficiaries.

Enter in column 1 the social security number of each resident beneficiary.

Enter in column 2 for each resident beneficiary, the income reported on his/her federal individual income tax return as being from this estate or trust.

Enter in column 3 for each resident beneficiary, his/her percentage of the federal distributable net income as determined in Schedule B.

The Colorado fiduciary adjustment is divided among the beneficiaries and the fiduciary in proportion to their share of the federal distributable net income. Enter in column 4 each resident beneficiary's share of the Colorado fiduciary adjustment computed by applying the percentage in column 3 to the net adjustment as shown on line 4, page 1 of the return. If there is no federal distributable net income, each beneficiary's share of the Colorado fiduciary adjustment shall be in proportion to his share of the estate or trust income distributed or required to be distributed. Any balance of the Colorado fiduciary adjustment will be allocated to the fiduciary. Advise each beneficiary of his/her share of the Colorado fiduciary adjustment.

Enter in column 5 the social security number of each nonresident beneficiary.

Enter in column 6 for each nonresident beneficiary his/her share of the federal distributable net income of the estate or trust.

Enter in column 7 for each nonresident beneficiary, the percentage of federal distributable net income of the estate or trust determined to be from Colorado sources. This determination is made in Schedule C.

Enter in column 8 for each nonresident beneficiary, that part of his/her federal distributable net income from this estate or trust that is from Colorado sources determined by applying the percentage in column 7 to the income in column 6. If any other method is used to determine the beneficiary's income from Colorado sources, attach a comprehensive explanation.

Enter in column 9 for each nonresident beneficiary, 4.63% of his/her Colorado source income as listed in column 8. This is the amount to be withheld from the distribution to the beneficiary and paid to the State of Colorado as estimated tax in the name of the beneficiary on Form 104 BEP.

INSTRUCTIONS FOR PAGES 3 AND 4, FORM 105

Schedule E. Schedule E is used to compute the tax of a nonresident estate or trust. Fiduciaries of nonresident estates or trusts shall compute a tentative tax as though the estate or trust were a resident estate or trust. The actual tax shall be the tentative tax apportioned in the ratio of the Colorado taxable income to the modified federal taxable income.

First complete lines 1 through 7 of page 1 of Form 105 in accordance with the instructions given for full-year resident estates and trusts.

Then complete lines 1 through 3 of the federal column of Schedule E using the information from the federal Form 1041. Complete the federal column using the modifications from line 6 of page 1, Form 105.

On line 1 of Schedule E, Colorado column, enter the Colorado source income of the estate or trust. Interest, dividends, gains or losses from the sale of stocks and bonds, and pension and annuity income shall not be considered Colorado source income for a nonresident estate or trust.

Expenses shall follow the income to which they were assigned for federal income tax purposes by the fiduciary.

The distribution deduction and the exemption deduction shall be allowed on line 2 of the Colorado column in the ratio of the federal distributable net income from Colorado sources over the total federal distributable net income.

Include the state tax deduction addback modification relating to prior years and the state tax refund subtraction modification in the Colorado column in the ratio that the estate or trust income was Colorado source income for the year to which the deduction or the refund applies.

For example, if the fiduciary paid $2,000 state tax during

2004 for 2003, and the 2003 estate or trust income was 40% Colorado source, include 40% or $800 on line 4 of the Colorado column.

DO NOT include the state tax deduction addback modification relating to taxes paid for the current year on line 4 of either column.

Complete Schedule E in accordance with the instructions given on the form.

Schedule F. Schedule F is used to compute the alternative minimum tax. The Colorado alternative minimum tax is the amount by which 3.47% of the Colorado alternative minimum taxable income exceeds the normal tax. The Colorado alternative minimum taxable income is the federal alternative minimum taxable income minus the federal AMT exemption and plus or minus the modifications from line 6 of page 1, Form 105. Do not include modifications that duplicate adjustments made in arriving at federal alternative taxable income.

Resident estates and trusts complete only lines 1 through 4 of the federal column and lines 7 and 8. Line 1 may be a negative amount.

The alternative minimum tax for nonresident estates and trusts is apportioned in the ratio of Colorado-source modified federal alternative minimum taxable income to the total modified federal alternative minimum taxable income. Complete lines 1 through 4 of the federal column as though the estate or trust were a resident estate or trust.

In computing the amount to enter on line 1, Colorado column, the Colorado source total income and the Colorado source allowable deductions shall be as reported on lines 1 and 2 of Schedule E, Colorado column. The federal adjustments and tax preference items shall be allocated to Colorado to the extent they relate to a business being carried on in Colorado or to income from Colorado sources. The alternative tax net operating loss deduction shall be allowed to the extent it was from Colorado sources in the year in which it arose. The income distribution deduction, the estate tax deduction and the federal alternative minimum tax exemption deduction are allowed in the ratio of the Colorado source federal distributable net alternative minimum taxable income to the total federal distributable net alternative minimum taxable income.

Schedule G. Schedule G is used to compute any Fiduciary Tax Credits.

Credit for tax paid to another state. A resident estate or trust may claim credit for income tax paid to another state on income from sources in that state (including the District of Columbia and territories or possessions of the United States).

Income from intangible assets, such as interest, dividends and gains or losses from the sale or exchange of securities, unless from a business carried on in the other state, is not considered to be from sources in the other state. The credit must be claimed on the accrual basis and is limited to the Colorado tax attributable to such income.

If taxes were paid to two or more states, a separate credit must be computed for each state. The total credit for taxes paid to other states may not exceed the Colorado tax attributable to non-Colorado source income.

If income and/or losses are received from two or more other states:

1. Complete lines 1a through 1g for each state to which taxes are paid, and
2. Complete lines 1a through 1g (enter "Combined" as name of state) combining all tax paid, income, and losses from ***all*** other states to determine the maximum credit available.
3. The credit will be the lesser of the total credits computed for each state in step 1, or the credit limitation computed in step 2. Attach copies of ***both*** calculations to your return.

Attach a copy of the tax return filed with the other state to your Colorado return.

Alternative Minimum Tax Credit. Estates and trusts are allowed a credit of 12% of the federal alternative minimum tax credit for the same taxable year. Nonresident estates and trusts must apportion this credit in the ratio that the modified federal alternative minimum taxable income that gave rise to the prior year federal alternative minimum tax was considered Colorado alternative minimum taxable income. For example, if a nonresident estate's 2003 federal alternative minimum taxable income was 30% Colorado source, its credit would be 30% of 12% of the 2004 federal credit allowed for 2003 minimum tax.

Enterprise Zone Credits. If the estate or trust owned a business located in a Colorado enterprise zone during 2004, it may be entitled to claim a 3% investment tax credit, any or all of three new business facility employee credits, a research and experimental expenditures credit, a contribution to the enterprise zone administrator credit, job training credit or a vacant commercial building rehabilitation credit. If you feel the estate or trust may qualify for one or more of these credits, visit the Department of Revenue website ***(www.taxcolorado.com)*** for the FYI publications relating to the enterprise zone credits.

Gross Conservation Easement Credit. A credit based on the value of a donated conservation easement in Colorado is available. Attach a copy of the qualified appraisal summary and Form DR 1305 to Form 105 when claiming this credit. See FYI Income 39 for details.

Total Credits. Line 5 is the total of all credits claimed on lines 1(g) through 4. The total amount entered on line 5 may not exceed the total tax liability on line 10, page 1, Form 105.

Departmental Use Only

(33) 2004 FORM 105 COLORADO FIDUCIARY INCOME TAX RETURN

For calendar year 2004
or other tax year beginning _____ , 2004
ending _____ , 200__

Name of estate or trust	Colorado account number •
Name of fiduciary	Federal employer I.D. No. •
Address	Date estate or trust created
City, State, ZIP	Mail to: Colorado Department of Revenue Denver CO 80261-0006
With respect to the tax year, did or will the estate or trust distribute more than $1,000 in Colorado source income to nonresident beneficiaries? (check one) ☐ yes ☐ no	

If you do not need a fiduciary booklet mailed to you next year, check this box ..... ● ☐

1. Federal taxable income, line 22, federal Form 1041.	1		.00
2. Additions to federal taxable income, explain _____	2	.00	
3. Subtractions from federal taxable income, explain _____	3	.00	
4. Net modifications, line 2 minus line 3	4	.00	
5. Net modifications allocated to beneficiaries	5	.00	
6. Net modifications allocated to the estate or trust, line 4 minus line 5	6		.00
7. Colorado taxable income of the estate or trust, line 1 plus or minus line 6	7		.00
8. Normal Tax, 4.63% of the amount on line 7. Nonresident estates or trusts enter tax from line 8, Schedule E ■	8		.00
9. Alternative minimum tax from line 8, Schedule F ●	9		.00
10. Total of lines 8 and 9	10		.00
11. Credits from line 5, Schedule G - Total credits may not exceed line 10 ●	11		.00
12. Net tax, line 10 minus line 11	12		.00
13. Estimated tax payments and credits ●	13		.00
14. Colorado income tax withheld from wages ●	14		.00
15. Total of lines 13 and 14	15		.00
16. Penalty, also include on line 18 if applicable ●	16		.00
17. Interest, also include on line 18 if applicable ●	17		.00
18. If amount on line 12 exceeds amount on line 15, enter amount owed. Make check payable to Colorado Department of Revenue. ●	18		.00
19. If line 15 is larger than line 12, enter overpayment.	19		.00
20. Overpayment to be credited to 2005 estimated tax ●	20		.00
21. Overpayment to be refunded ●	21		.00

ROUND ALL AMOUNTS TO THE NEAREST DOLLAR.

I declare under penalty of perjury in the second degree, that this return is true, correct and complete to the best of my knowledge and belief. Declaration of preparer is based on all information of which the preparer has any knowledge.

(Signature of fiduciary or officer representing fiduciary) (Date) | (Name and telephone # of person or firm preparing return) (Date)

*If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

Note: If an income distribution deduction was claimed for federal income tax purposes, page 2 of this form must be completed.

SCHEDULE A – NAMES AND ADDRESSES OF BENEFICIARIES– Use lines (a) through (f) for resident beneficiaries

(a)
(b)
(c)
(d)
(e)
(f)
– Use lines (g) through (l) for nonresident beneficiaries
(g)
(h)
(i)
(j)
(k)
(l)

SCHEDULE B - Computation of the shares of the Colorado fiduciary adjustment. The Colorado fiduciary adjustment is to be allocated among the beneficiaries and the fiduciary in proportion to their share of the federal distributable net income.

Beneficiary as per schedule A	Share of federal distributable net income	
	Amount	Percent
(a)	$	%
(b)		%
(c)		%
(d)		%
(e)		%
(f)		%
(g)		%
(h)		%
(i)		%
(j)		%
(k)		%
(l)		%
Subtotal	$	%
Fiduciary		%
Total	$	100%

SCHEDULE C - Computation of the percentage of federal distributable net income from Colorado sources for use in Schedule D, columns 7 and 8, in determining the modified federal income reportable to Colorado by nonresident beneficiaries.

	1. Per Federal Form 1041	2. From Colorado Sources
1. Dividends	$	$ XXXXXXXXXXXX
2. Interest (Include exempt interest)		XXXXXXXXXXXX
3. Partnership/Fiduciary income		
4. Net rents and royalties		
5. Net profit (loss) business		
6. Other income		
7. Total lines 1 through 6	$	$
8. Expenses		
9. Federal distributable net income .	$	$

10. Percent of federal distributable net income from Colorado sources:

(Line 9, column 2 divided by line 9, column 1) _____ %

SCHEDULE D – BENEFICIARIES SOCIAL SECURITY NUMBERS, INCOME, MODIFICATIONS AND WITHHOLDING

1.Resident Beneficiary's Social Security Number	2. Federal Fiduciary Income	3. Schedule B Percentage	4. Fiduciary Adjustment
(a)	$	%	$
(b)	$	%	$
(c)	$	%	$
(d)	$	%	$
(e)	$	%	$
(f)	$	%	$

5. Nonresident Beneficiary's Social Security Number	6. Federal Distributable Net Income	7. Schedule C Percentage	8. Income Reportable to Colorado	9. Colo. Withholding 4.63% of Column 8 required
(g)	$	%	$	$
(h)	$	%	$	$
(i)	$	%	$	$
(j)	$	%	$	$
(k)	$	%	$	$
(l)	$	%	$	$

Schedule E – Nonresident Estate or Trust Apportionment Schedule

		FEDERAL COLUMN		COLORADO COLUMN	
1. Income, specify type _____			.00		.00
			.00		.00
			.00		.00
			.00		.00
			.00		.00
			.00		.00
			.00		.00
Total Income	1		.00		.00
2. Deductions, specify _____			.00		.00
			.00		.00
			.00		.00
			.00		.00
			.00		.00
			.00		.00
Total Deductions	2		.00		.00
3. Taxable income, line 1 minus line 2	3		.00		.00
4. Modifications from line 6, page 1, Form 105	4		.00		.00
5. Modified taxable income, line 3 plus or minus line 4	5		.00		.00
6. Amount on line 5, Colorado column divided by amount on line 5, federal column	6				%
7. 4.63% of the amount on line 7, page 1, Form 105	7				.00
8. Amount on line 7 multiplied by percentage on line 6, enter here and on line 8, page 1, Form 105	8				.00

Schedule F – Fiduciary Alternative Minimum Tax Computation Schedule

		FEDERAL COLUMN		COLORADO COLUMN	
1. Fiduciary's share of federal alternative taxable income minus federal A.M.T. exemption	1		.00		.00
2. Modifications from line 6, page 1, Form 105	2		.00		.00
3. Line 1 plus or minus line 2	3		.00		.00
4. 3.47 % of the amount on line 3, federal column	4		.00		
5. **Nonresident estate or trust only**, amount on line 3, Colorado column divided by amount on line 3, federal column	5				%
6. **Nonresident estate or trust only**, amount on line 4 multiplied by percentage on line 5	6				.00
7. Enter normal tax from line 8, page 1, Form 105	7				.00
8. Resident estate or trust enter amount by which line 4 exceeds line 7. Nonresident estate or trust enter amount by which line 6 exceeds line 7. Enter here and on line 9, page 1, Form 105	8				.00

Schedule G – FIDUCIARY CREDIT SCHEDULE

1. Credit for income tax paid to the state of _____
   Compute a separate credit for each state. Attach a copy of the tax return filed with the other state.

(a) Total tax from line 10, page 1, Form 105	1(a)		.00
(b) Modified federal taxable income from sources in the other state	1(b)		.00
(c) Total modified federal taxable income	1(c)		.00
(d) Amount on line 1(b) divided by amount on line 1(c)	1(d)		%
(e) Amount on line 1(a) multiplied by percentage on line 1(d)	1(e)		.00
(f) Tax liability to other state	1(f)		.00
(g) Allowable credit the smaller of lines 1(e) or line 1(f)	1(g)		.00

2. Credit for prior year alternative minimum tax. See instructions	2		.00

3. Enterprise zone credits:			
(a) Enterprise zone investment tax credit	3(a)		.00
(b) Enterprise zone new business facility employee credit	3(b)		.00
(c) Enterprise zone employee health insurance credit	3(c)		.00
(d) Enterprise Zone Administrator Contribution Credits	3(d)		.00
(e) Other enterprise zone credits, attach computation	3(e)		.00

4. Gross conservation easement credit. Attach a copy of Form DR 1305	4		.00
5. Total allowable credits. Add lines 1(g) through 4. Enter here and on line 11, page 1, Form 105	5		.00

FIDUCIARY'S COPY OF PAGE ONE, FORM 105, LINES 1 - 21 2004

Name of Estate or Trust	Colorado Account Number

1. Federal taxable income, line 22, federal Form 1041.		1		.00
2. Additions to federal taxable income, explain _____	2		.00	ROUND ALL AMOUNTS TO THE NEAREST DOLLAR.
3. Subtractions from federal taxable income, explain _____	3		.00	
4. Net modifications, line 2 minus line 3	4		.00	
5. Net modifications allocated to beneficiaries	5		.00	
6. Net modifications allocated to the estate or trust, line 4 minus line 5		6		.00
7. Colorado taxable income of the estate or trust, line 1 plus or minus line 6		7		.00
8. Normal Tax, 4.63% of the amount on line 7. Nonresident estates or trusts enter tax from line 8, Schedule E	■	8		.00
9. Alternative minimum tax from line 8, Schedule F	●	9		.00
10. Total of lines 8 and 9		10		.00
11. Credits from line 5, Schedule G - Total credits may not exceed line 10	●	11		.00
12. Net tax, line 10 minus line 11		12		.00
13. Estimated tax payments and credits	●	13		.00
14. Colorado income tax withheld from wages	●	14		.00
15. Total of lines 13 and 14		15		.00
16. Penalty, also include on line 18 if applicable	●	16		.00
17. Interest, also include on line 18 if applicable	●	17		.00
18. If amount on line 12 exceeds amount on line 15, enter amount owed. Make check payable to Colorado Department of Revenue.	●	18		.00
19. If line 15 is larger than line 12, enter overpayment.		19		.00
20. Overpayment to be credited to 2005 estimated tax	●	20		.00
21. Overpayment to be refunded	●	21		.00

PAYMENT FOR NONRESIDENT BENEFICIARY - SEE INSTRUCTIONS ON PAGE 3

(18) **FORM 104-BEP** | **Colorado Nonresident Beneficiary Estimated Income Tax Payment Voucher For Tax Year _____** **70**

Return this voucher with check or money order payable to the Colorado Department of Revenue, Denver, Colorado 80261-0008. Write beneficiary's social security number and "Form 104-BEP" on the check or money order. Do not send cash. File only if you are making a payment. Submit a separate check or money order for each document. Payment is due at the time the income is distributed. If your check is rejected due to insufficient or uncollected funds, the Department of Revenue may collect the payment amount directly from your banking account electronically.

Beneficiary's Last Name	First Name and Middle Initial	Social Security Number	AMOUNT OF PAYMENT (08)
Address			
City, State, ZIP			
DO NOT WRITE IN SPACE BELOW			$. 00

Example of the computation of Fiduciary Colorado tax, resident beneficiary's Colorado Fiduciary adjustment, and nonresident beneficiary's Colorado source income.

The federal Form 1041 for the John Smith estate showed the following items of income and deduction:

1.	Interest income	$ 32,614
2.	Dividends	4,800
5.	Net rent income (Colo.)	16,832
9.	Total income	$ 54,246
12.	Fiduciary Fees	$ 6,000
14.	Accountant's Fee	1,500
16.	Total	$ 7,500
17.	Adjusted total income	$ 46,746
18.	Income distribution deduction	$ 34,189
21.	Exemption	600
22.	Total	$ 34,789
23.	Taxable income	$ 11,957

The estate also had $2,476 in non-Colorado municipal bond interest income during the tax year. $24,000 was distributed to Alice Smith, a Colorado resident and $12,000 to John Smith, Jr., a nonresident of Colorado. The estate had $8,700 in U. S. Government interest.

The shares of the federal distributable net income are as follows:

Alice Smith	$24,000	48.76%
John Smith, Jr	12,000	24.38%
John Smith Estate	13,222	26.86%
Totals	$49,222	100.00%

The Colorado tax of the estate is determined as follows:

1.	Federal taxable income		$ 11,957
2.	Modifications increasing federal income:		
	Local bond interest	$ 2,476	
3.	Modifications decreasing federal income:		
	Federal bond interest	$ 8,700	
4.	Net modifications	$ (6,224.)	
6.	Allocated to the estate @ 26.86%		$ (1,672)
7.	Taxable income		$ 10,285
8.	Tax		$ 476

Alice Smith's share of the Colorado fiduciary adjustment is computed as follows:

Share of local bond interest @ 48.76%	$ 1,207
Share of U. S. interest @ 48.76%	4,242
Net modification	$ (3,035)

John Smith, Jr's income reportable to Colorado is determined as follows:

Share of distributable net income	$ 12,000
From Colorado sources at 29.67%	$ 3,561

Colorado source income is computed as follows:

$$\frac{\text{Rental income (Colorado) } \$16{,}832}{\text{Total income } \$56{,}722} = 29.67\%$$

This can be verified as follows:

$$\frac{\text{John, Jr's. share of income } \$12{,}000}{\text{Distributable net income } \$49{,}222} = 24.38\%$$

Share of rental income $16,832 x 24.38%	=	$4,104
Share of fees $7,500 x 24.38% x 29.67%*	=	543
Net Colorado income		$3,561

* Share of fees allocated to rental income